



FOR CLERK USE ONLY

RDA

Item No. 24

**CALEXICO COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF CALEXICO
FACT SHEET**

Redevelopment Agency
Department

February 16, 2010
Requested Date

1. Request:

RDA Approval

☒Information Only/
Presentation☐

Other (specify)

☐

Hearing

☐

2. Requested Action:

Authorize staff to draft an appropriate agreement to provide a \$200,000 loan/grant to the Calexico Housing Authority with the conditions recommended and to bring the agreement back to the Agency Board for final approval prior to release of funds.

3. Fiscal Impact:

Revenue:

Increase

☐

Source:

Decrease

☐

Amount:

Cost:

Increase

☒

Source:

RDA Housing Bond Funds

Decrease

☐

Amount:

\$200,000.00

Does Not Apply ☐

4. Reviewed By:

Finance Dept. on

Comments:

By:

City Attorney on

Comments:

By:

Note: Back up must be submitted along with this form. Deadline is 5:00 p.m., 2 Fridays before the scheduled meeting date.

CLERK USE ONLY:

RDA DATE:

Action

☐

Filing

☐

Consent

☐

Presentation

☐

Hearing

☐

Other(specify)

☐

Reviewed by: City Clerk

Date

City Manager

Date

REDEVELOPMENT AGENCY AGENDA REPORT

SUBJECT: Calexico Housing Authority request for \$200,000

AGENDA DATE: February 16, 2010

PREPARED BY: Rosalind Guerrero, RDA Director



APPROVED FOR AGENDA BY: Victor Carrillo, City Manager

RECOMMENDATION: Authorize staff to draft an appropriate agreement to provide a \$200,000 loan/grant to the Calexico Housing Authority with the conditions recommended and to bring the agreement back to the Agency Board for final approval prior to the release of funds.

FISCAL IMPACT: \$200,000 RDA Housing Bond funds

BACKGROUND INFORMATION: (Prior action/information)

In the year 2000, the Redevelopment Agency Board first considered a request for funding from the Calexico Housing Authority to be used as a gap in financing for the construction of affordable housing units known as the Spud Moreno Apartments or Victoria Manor Senior Apartments (hereafter referred to as "Project"). The proposed funding would also include tax credit financing. The Agency Board in 2000 authorized the drafting of an agreement to provide the funding. However, no agreement was ever finalized and the project was not awarded tax credit financing in the July of 2000 "round" of tax credits. In October of 2000, the Agency Board made clear that the request for funding was not held in perpetuity. A new request to consider funding was presented to the Board on March 12 of 2002. At that time, the Board denied the request to reconsider the funding approval. Then on July 9 of 2002, the Board considered a revised request and authorized staff to draft an agreement to provide a \$200,000 loan to the Housing Authority for use for the project. Although an agreement was drafted and sent by the Agency to the Housing Authority in 2003 or 2004, the agreement was never finalized. Therefore, the Agency has never provided the \$200,000 loan proceeds to the Housing Authority. The Project was completed and affordable housing covenants were placed upon Project.

Current Consideration: The Project currently has several partners including Beyond Shelter and the Calexico Housing Authority. Both have a 50% option to purchase the Project in or about 2018. Beyond Shelter has conveyed to the Housing Authority that the Housing Authority can purchase Beyond Shelter's 50% option, so that the Housing Authority can purchase the entire project in 2018. Therefore, the Housing Authority has contacted Agency staff most recently to request that the \$200,000 loan (that was never finalized for the Project) be given as a grant to the Housing Authority so that the Housing

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Authority can purchase Beyond Shelter's 50% option and then be in a position to purchase the entire Project in 2018 so that the Housing Authority can preserve the Project as affordable housing units for an extended period of time for the residents of Calexico. The Project did pay for and install various off-site improvements for the development of this Project, and the Housing Authority believes their request is valid since the Board previously committed to provide these funds for the Project. The Agency has kept the \$200,000 set aside for this project since 2002.

Staff is now seeking direction from the Board regarding this matter. If the Board directs staff to prepare the necessary documents to provide a loan/grant to the Housing Authority, staff recommends that the following be conditions of the arrangement:

- The agreement will specify that the \$200,000 will be provided as a loan to the Housing Authority with repayment to begin in 2018. If the Housing Authority fails to purchase the Project and preserve it as affordable housing, the Housing Authority will be required to repay the \$200,000 loan. If the Housing Authority does make the full purchase of the Project in 2018, then the \$200,000 loan will turn into a grant provided that additional restrictive covenants are recorded on the Project to preserve the affordability of the units for an additional period of time to benefit the residents of the City.
- The Housing Authority shall be required to submit sufficient collateral security for the repayment of the loan to be equivalent to \$200,000.
- Any required public hearings would be held prior to the Board's final approval of the agreement.

RECOMMENDATION:

Authorize staff to draft an appropriate agreement to provide a \$200,000 loan/grant to the Calexico Housing Authority with the conditions recommended and to bring the agreement back to the Agency Board for final approval prior to the release of funds.

ATTACHMENT:

Summary timeline of events
Resolution 00-23
Agency Board Minutes
General Correspondence

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Attachments

1. Summary timeline of events
2. Resolution 00-23
3. Agency Board Minutes
 - a. September 19, 2000
 - b. October 10, 2000
 - c. January 8, 2002
 - d. March 12, 2002
4. City Attorney Rood correspondence to Alexis Gevorgian
5. Correspondence from California Tax Credit Allocation Committee
6. City Manager letter to Agency Board
7. RDA Director letter to Housing Director Gilbert Grijalva
8. Housing Authority Director letter to City Manager Velez
9. RDA Director letter to Housing Director Oscar Rodriquez

Memorandum

To: Calexico Housing Authority/Victoria Manor File

From: Rosalind Guerrero, RDA Director

Date: 2/5/2010

Re: Calexico Housing Authority
\$ 400,000 request for Funding

June 12, 2000

Letter by RDA Director, O. Rodriguez in support of Housing Authority regarding funding of project.

June 6, 2000

FINANCIAL ASSISTANCE FROM THE REDEVELOPMENT AGENCY FOR THE FOLLOWING PROJECTS: The Calexico Housing Authority/AMG & Associates is requesting a \$400,000.00 loan for a 80 unit Senior Apartments project, northwest of Rancho Frontera Ave. and Birch Street. *A motion was made by Chairman Alatorre, seconded by Chairman Pro Tem Carrillo, to fund the Housing Authority with a \$400,000 loan for a 80 unit seniors project located at the northwest corner of Rancho Frontera Avenue and Birch Street (Hwy. 98). Voting was as follows:*

AYES: Montoya, Alatorre, Carrillo, Renison

NOES: Grijalva

ABSENT: None

June 13, 2000

Resolution No. 00-23

September 19, 2000

Deal Points Memorandum between the Redevelopment Agency, the Calexico Housing Authority and Beyond Shelter – Victoria Manor Senior Apartments. *City Attorney stated it would be a good idea to table this item for two weeks to allow him to look at this matter in more depth. The impact to the parties is serious and he needs to research this more thoroughly. He needs to find out what the status of the deal points is and what effect this would have on the agency.*

October 10, 2000

Deal Points Memorandum between the Redevelopment Agency, the Calexico Housing Authority and Beyond Shelter – Victoria Manor Senior Apartments. *Motion was made by Member Carrillo to adopt recommendation by City Attorney to deny this request and that the \$ 400,000 loan not be held in perpetuity. Motion seconded by Member Montoya. Vote to wit:*

AYES: Alatorre, Carrillo, Montoya, Grijalva

NOES: None

ABSTAIN: Renison

ABSENT: None

October 18, 2000

Chronology of Activities regarding Calexico Housing Authority Application to the RDA for \$ 400,000 assistance for affordable housing.

October 31, 2001

Request from Lupita Rios, Exec. Dir., for release of funds per Resolution No. 00-23.

November 7, 2001

The Calexico Housing Authority previously request financial assistance from the Calexico Redevelopment Agency for \$ 400,000.00 as part of a match for a tax credit application. The Redevelopment Agency Board approved a loan of \$ 400,000.00 through Resolution No. 00-23, dated June 13, 2000. The Calexico Housing Authority failed to obtain funding on the application first round at which time the project was brought back to the board where the assistance was declined due to lack of approval of funding from the Tax Credit Program. On October 10, 2000, the Calexico Housing Authority came before the RDA Board requesting that the \$ 400,000.00 be held in perpetuity allowing them to continue to apply for tax credits on this project. It was the opinion of the City Attorney that the City had no obligation to continue the loan. Based on this opinion, the Redevelopment Agency Board voted 4-1 to adopt recommendation by City Attorney to deny this request and that the \$ 400,000 loan not be held in perpetuity. The Redevelopment Agency has received a letter from Lupita Rios, Executive Director of the Calexico Housing Authority requesting funds from the Redevelopment Agency for the construction of affordable housing as per Resolution No. 00-23, which was approved at the June 13, 2000 by the Redevelopment Agency Meeting. It is my understanding that a new request would have to be presented to the Board for approval of the \$400,000.

January 8, 2002	RDA Meeting Request from Calexico Housing Authority to Discuss Resolution No. 00-23-Funding For Housing Project. - <i>A motion was made by Vice-Chairman Renison, seconded by Member Alatorre, and passed unanimously to have the City Attorney look at the legal obligation of this request and if there will be repercussions if this is not funded.</i>
March 12, 2002	Agenda Item concerning financial support to Calexico housing Authority Tax Credit Application for senior housing – Project by Alexis Gevorgian. – <i>Motion made, seconded and carried to refuse to reconsider the request for a \$ 400,000 loan from the Housing Authority.</i>
February 1, 2002	Letter from Mike Rood to Alexis Gevorgian regarding RDA's Deal Points Memorandum of June 2000 and vote to not fund the project and advising him that the RDA had no legally binding commitment to fund the project for \$ 400,000.
February 19, 2002	Letter from Jeanne L. Peterson regarding the final approval of tax credits in the second round of November 30, 2000 because it did not score high enough when submitted in June 15, 2000.
May 10, 2002	Letter to Peter Castro, HA Exec. Dir. Regarding funding of project.
June 7, 2002	Request by Peter Castro, HA Exec. Dir. to place item on RDA agenda regarding the \$ 400,000 funding.
July 9, 2002	Request from Calexico Housing Authority for a \$ 200,000 Loan for the Luis (Spud) Moreno Senior Apartments. The Board reconvened from closed session at 9:55 p.m. <i>Motion was made by Councilman Carrillo and seconded by Councilman Perrone to direct staff to bring back agreement for a \$ 200,000 Loan to the Calexico Housing Authority. Motion passed unanimously.</i>
July 31, 2002	Letter to Peter Castro, Exec. Dir., regarding adjustment to limited partnership agreement to reduce amount from \$ 400,000 to \$ 200,000. Letter from Ronald D. Aubert.
October 29, 2002	City requested cost certification on the project.

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November 20, 2002	Mike Rood, City Attorney, provided Jon Goetz, Stradling, Yocca, Carlson & Rauth with a copy of Victoria Manor \$ 200,000 loan agreement.
September 26, 2003	Letter from Mike Rood, City Attorney to Ralph Morales where Mr. Rood informs him that Mr. Grijalva, Housing Authority, has requested the loan proceeds to the Housing Authority. Mr. Rood also makes mention to an agreement and the information regarding "cost certification" requested from Mr. Ronald Aubert in letter dated August 29, 2002. Mr. Rood further advises that Mr. Grijalva will move forward on an agreement in the coming week.
November 18, 2003	Draft of \$ 200,000 Loan Affordable Housing Agreement for Victoria Manor submitted by Jon Goetz to Richard Tillberg, Housing Authority and City Staff.
December 14, 2004	Director's Report - Victoria Manor Agreement (no change in status) A revised agreement has been provided to the Calexico Housing Authority and their consultant for comments as of June 11, 2004. A final agreement must be approved by the RDA in order to pay out the \$200,000 that has been set aside for this project. Per the Housing Authority consultant, Alexis Gevorgian, as of November 9, 2004, the lenders have not provided the final comments on what can and cannot be done.
Year 2004	Comments pending on draft loan agreement.
Year 2005	Staff requested cash flow projections for a 15 year period to determine interest rate on loan and percentage of residual receipts payment to the Agency.
Year 2006	No correspondence
Year 2007	Housing Authority Director Eddie Garcia submits written letter requesting to move forward on agreement. Copy of draft loan agreement provided for Housing Authority comments.

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Year 2008	Housing Authority attorney contacts city attorney Lyon regarding the \$200,000 loan. Copies of historical documents provided to city attorney for review.
Year 2009	Staff provides a letter to Housing Authority Director, Oscar Rodriquez, of the Agency's recommendation to have the item reviewed by the Agency Board due to the time elapsed since approval and to determine benefits to the Agency since project has been built.
Year 2010	Request by Alexis Gevorgian to place item on Agency Agenda. Item scheduled to appraise Agency Board of loan prior to incurring attorney's fees in the finalization of the loan agreement.

AGENCY RESOLUTION NO. 00-23

A RESOLUTION OF THE COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF CALEXICO APPROVING A DEAL
POINTS MEMORANDUM SETTING FORTH THE PARAMETERS
OF AN AGREEMENT BETWEEN THE REDEVELOPMENT
AGENCY AND A GENERAL PARTNERSHIP CONSISTING OF
THE CALEXICO HOUSING AUTHORITY AND BEYOND SHELTER

WHEREAS, A general partnership consisting of the Calexico Housing Authority and Beyond Shelter, general partners ("Developer") is proposing to develop a senior housing complex within a redevelopment project area in the City of Calexico contingent upon receipt of an allocation of low-income housing tax credits, and has requested assistance from the Community Redevelopment Agency of the City of Calexico (the "Agency"); and

WHEREAS, the Agency and Developer wish to enter into an agreement (the "Agreement") whereby Agency will commit to making a loan of \$400,000 to the Developer at a below market interest rate of two percent (2%), the making of said loan to be contingent upon receipt of low-income housing tax credits by the Developer and acceptance of the Agreement between the Agency and the Developer; and

WHEREAS, the Agency intends to assume credit for all units constructed pursuant to the Agreement pursuant to Section 33413 of the California Health and Safety Code and will not be willing to enter into the Agreement absent such credit.

NOW, THEREFORE, THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF CALEXICO DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Based upon review of the Project by the Calexico Planning Commission, the Agency hereby finds and determines that the proposed project is in accordance with the General Plan of the City of Calexico.

Section 2. The Agency hereby approves and authorizes execution of the Agreement on the terms and conditions described in Attachment No. 1 to this resolution and in the staff report accompanying this resolution, which Agreement shall be in a form satisfactory to the Agency Attorney. The Executive Director is hereby authorized to execute the Agreement on behalf of the Agency, and to execute such other documents and take such other actions as necessary to carry out and implement the obligations of the Agency under the Agreement. The Executive Director is further authorized, with the concurrence of the Agency Attorney, to approve minor, non-monetary, amendments to the Agreement which are necessary and appropriate and which do not substantially alter the rights and obligations of the Agency under the Agreement.

Section 4. The Agency's approval of an Agreement pursuant to this resolution represents the Agency's final approval of a proposal which may result in housing assistance benefitting persons of low income for purposes of Health and Safety Code Section 36005.

9400.229(4)

PASSED AND ADOPTED at a regularly scheduled meeting of the Community Redevelopment Agency of the City of Calexico this 13th day of June, 2000, by the following vote:

AYES: Montoya, Alatorre, Carrillo, Renison

NOES: None

ABSENT: Grijalva

ABSTAIN: None

Javier Alatorre
Chairman, Community Redevelopment Agency
of the City of Calexico

ATTEST:

[Signature]
Secretary, Community Redevelopment Agency
of the City of Calexico

APPROVED AS TO FORM:

[Signature]
City Attorney

STATE OF CALIFORNIA
COUNTY OF IMPERIAL

)
) ss.

I, Oscar G. Rodriguez, Secretary

am the duly appointed Secretary of the Community Redevelopment Agency of the City of Calexico and that the foregoing resolution was duly and regularly adopted at a regular meeting thereof on the 13th day of June 2000.

[Signature]
Secretary, Community Redevelopment
Agency of the City of Calexico

DEAL POINTS MEMORANDUM BETWEEN THE REDEVELOPMENT AGENCY, THE CALEXICO HOUSING AUTHORITY AND BEYOND SHELTER-VICTORIA MANOR SENIOR APARTMENTS.

Mr. Juan Verdugo, Community Development Director stated this item was requested by the residents of the area. The issue is the funding to the project.

Member Grijalva asked if the Agency can discuss land use issues. City Attorney advised they can talk about it but they cannot take action. This is an item that can identify the different positions the parties have. The Council needs to hear some discussion to hear what the positions are. Then the Council should give him more time so he can look into it during the next two weeks.

Mr. Verdugo stated the Council has before them a copy of the deal points agreement and a copy of the resolution approving these. The deal points sets perimeters for the development of an agreement between two agencies. They have a deal points memorandum for \$400,000 between the Housing Authority and the Redevelopment Agency. This would be contingent upon tax credits which have not yet been received.

Funding would be contingent upon the execution of the agreement. Mr. Verdugo asked for direction.

Mr. Alexis Gevorgian, representing the developer that will build the 80 unit senior housing project, stated the memorandum of agreement and resolution adopted was contingent upon them receiving the tax credits. This project is first on the waiting list in terms of the cycle. This property was zoned before it was purchased. The builders have gone beyond the normal disclosure required by the City.

Mr. Jim Lessley stated he wants to build a project that provides the minimum impact to the area. Senior citizen housing was selected because there would be less traffic. More important is the deal point memorandum that the Agency has entered into with them and a method where the Council has recourse with the developer.

Planning Director stated he informed Mr. Lessley of the requirements for senior citizen apartments. Mr. Lessley was advised this area was not zoned for senior citizen apartments then Mr. Lessley provided the proper application to build senior citizen apartments in this area. The requirement to advise adjoining property owners was done. It was disclosed that the project had CC&R's and the project was considered on its own merits. A resolution was passed by the Planning Commission and the City Council approving the building of senior citizen apartments in accordance to tax credits.

Mr. Jim Lessley, builder of Victoria Estates and owner of the land, stated he respects the homeowners who are opposing these apartments. There were some zone issues that were in place long before this area was zoned. He has met with a committee of ten members to discuss these issues. The committee brought up some issues he thought he had addressed. They said

they were not notified of this project. Mr. Lessley made reference to the agreement and stated that Parcels 11, 12 and 21 are zoned multi family and parcel 22 is zoned commercial. Mr. Lessley stated he would like to build senior citizen apartments because they would provide less impact to the community. He has done everything he can to mitigate the problem but the residents are concerned about having apartments close to their homes. This property is zoned for apartments and apartments will be built in that property whether they are moderate income apartments or senior citizens apartment.

Chairman Pro Tem Carrillo stated the main issue of the residents near the proposed apartment project is the lack of notification. They would also like to know when these apartments are going to be built. Mr. Jim Lessley stated residents within 300 feet were notified of the project.

Mr. Luis Caballero, 1225 Fiesta, stated the residents would like to know where the project is going to be built. They are against the project because they do not know what the project is about. He stated several of the residents within 300 feet of the proposed project were not advised of the proposed public hearing for this project. He asked that this matter be placed back on the agenda.

Mr. Samuel Parra, resident of Victoria Estates is concerned about this project. He stated they have gathered signatures of those residents against the project. They are opposed to having apartments built so close to their homes because this will decrease the value of their properties.

Mr. Sergio Tagliapietra, 1257 Fiesta, stated residents in that area paid approximately \$200,000 for their homes and they should be made aware what the project is. The residents of that area will oppose the project no matter what. He stated that Mr. Lessley made reference to the agreements signed when the homes were purchased saying that the agreement states this area was zoned for apartments. The property owners signed the agreements in good faith, no one reads all the clauses.

Mr. Cesar Ruiz is in agreement with his neighbors. Mr. Lessley has the right to defend his project. Government should be on the side of the community even if a decision was made on the zoning of the area. The Council has the responsibility to correct errors if errors are made. This item should be revisited. They have heard that the City is a partner with the project so that they do not fall in an illegal situation that could be a conflict of interest. In a democracy the majority is over the minority and in this case, they are the majority. This project will do away with the privileges of the community.

Mr. Jesus Solano, 426 Rosemont stated they have the right to have the Council respect this community. His recommendation is that the committee contact Ms. Lupita Rios from the Housing Authority. Mr. Solano stated he is also available to meet with them to see how he can help. He spoke to several persons in Victoria Estates and there is a lot of trash behind Victoria Estates he asked the Council to remedy this situation.

Ms. Lupita Rios, Executive Director of the Housing Authority, gave a brief statement on the zoning of this property. It is important for people to read the agreements they are signing. This project was approved by the Planning Commission and also sent to Council for their approval. This project is on the waiting list to receive the funding. Notices were sent to adjoining property owners and it was published in the newspaper. The project is to build 80 senior citizen apartments, the traffic impact and movement around this area would be minimum. She is available to meet with the committee at any time.

Mr. John Romo stated he agrees with their concerns. Notifications were sent out. Sometimes people do not read what they should. The residents should have been informed. The property owners can appeal their protest. Mr. Romo stated he and Mr. Solano can meet with the concerned group of citizens to listen to their concerns. He feels that the residents' concerns can be resolved.

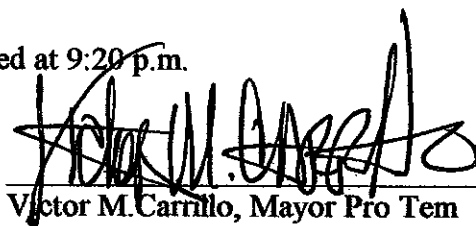
Chairman Pro Tem Carrillo stated this is not the meeting where the Council can reconsider its decision. This is also not the meeting where the project area can be rezoned because it would have to go back to the Planning Commission. Direction should be provided to extend the deadline until December.

City Attorney stated it would be a good idea to table this item for two weeks to allow him to look at this matter in more depth. The impact to the parties is serious and he needs to research this more thoroughly. He needs to find out what the status of the deal points is and what effect this would have on the agency.


Mr. Luis Fuentes, 515 Beach Ave. stated people should not discuss or segregate where anybody can live. A man in audience stated they are not discriminating they are simply saying there are places where senior citizen apartments can be built.

ADJOURNMENT.

There being no further business the meeting adjourned at 9:20 p.m.


Victor M. Carrillo, Mayor Pro Tem

Attest:


Richard H. Inman, Secretary

AYES: Alatorre, Carrillo
NOES: Grijalva, Montoya
ABSTAIN: Renison
ABSENT: None

Member Grijalva stated that there are other City Projects such as the Calexico Library and Old City Hall, which will require funding and time, and felt that due to the lack of representation on behalf of San Diego State University he would not support the motion.

Mr. Inman stated that the City also needs to invest money in our Community Center as well.

Member Renison stated that the campus in Calexico is not closing, they are expanding. The State of California is investing \$ 1 million in the renovation of Rodney Auditorium and expanding other sites in Calexico.

Member Montoya suggested that further state or federal grants be looked into before the City invests any monies.

**DEAL POINTS MEMORANDUM BETWEEN THE REDEVELOPMENT AGENCY,
THE CALEXICO HOUSING AUTHORITY AND BEYOND SHELTER - VICTORIA
MANOR SENIOR APARTMENTS.**

Member Renison stated that due to his residence he requested City Attorney's opinion on his participation on this item. City Attorney informed him that since he resides within 300 feet of the proposed project and advised him he has a conflict and should abstain from voting and participating.

Mr. Inman stated that there was a decision by the board and there was concern and discussion on whether this money was in perpetuity or if this money is still available.

City Attorney reviewed and decided that the City has no legal obligation to the \$ 400,000 loan and it is public policy if the board wants to again offer the loan to the project. The condition of the loan was to last through the first decision of the Tax Credit Committee, which has occurred, and the project was not approved. Another issue was for the proper zoning and planning commission procedures regarding proper notices of the area was addressed. This in the Attorney's opinion is between the Developer and the buyers and the City should not become involved. The City Attorney's opinion states that the City has no obligation to continue the loan.

Member Carrillo stated that the legal opinion of the City Attorney is sufficient. The City did enter only into a Deal Point and the time period was exhausted.

Motion was made by Member Carrillo to adopt recommendation by City Attorney to deny this request and that the \$ 400,000 loan not be held in perpetuity. Motion seconded by Member Montoya. Vote to wit:

AYES:	Alatorre, Carrillo, Montoya, Grijalva
NOES:	None
ABSTAIN:	Renison
ABSENT:	None

Alexis Gevorjian, AMG, stated that a request had not been made and the period had not been elapsed. They have submitted for the second round and the cycle is ongoing through December 31, 2000.

Jim Lessley, Victoria Homes, Discussed his role in this development. He purchased this property last year to prevent a low-income housing development. He sees less impact to the community with a Senior Housing Project. The property has been zoned for apartments since 1991. He advised the board he was not involved with the process of the tax credit application. He is just the landowner who is selling the property. His contract states that he has the option but not the obligation to build the apartment should they receive funding. He also advised that the residents of Victoria Estates are opposed to the project. He requested that the zoning and property rights be explained to the public and make it clear to the public whether this is an appropriate site for apartments.

Chairman Alatorre stated that explanation of zoning should be addressed at the Planning Commission level.

SPORTS COMPLEX EXCLUSIVE NEGOTIATION AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF CALEXICO AND FOR THE GAME, LLC.

Member Renison requested clarification from City Attorney Michael Rood on how binding this agreement is. He will only support this agreement if it is non-binding and also if it includes in the motion that it include an independent feasibility study in connection to the binding status of the agreement.

City Attorney stated that following the presentation by "For the Game" representatives of July 11, 2000, he began to draft the exclusive negotiation agreement and is now presenting their final draft for a 90-day agreement. He advised the board that this agreement does not bind the City.

Marshall Linn, Urban Futures, Inc., stated that this agreement only states that for the next 90-days the Agency will not sit and talk with others regarding this type of activity such as recreational park or ballpark. It is a common tool used throughout the state of California. Usually Staff will sit with principals of game complex and figure out a game program for this

City Manager stated there is a scheduled meeting for January 17, 2002 with Arman Gabae.

**REQUEST FROM CALEXICO HOUSING AUTHORITY TO DISCUSS
RESOLUTION NO. 00-23-FUNDING FOR HOUSING PROJECT.**

Mr. Ralph Morales stated he received a letter from the Housing Authority requesting that the Redevelopment Agency assist them with \$400,000 for construction of low income apartments. The Housing Authority submitted an application for tax credits and it was not approved. Their project was funded through different sources.

Member Alatorre asked for staff's recommendation.

Mr. Morales stated that at this point it is a Board decision. The monies have been disencumbered. The project is on going and funds have been received from other sources. He does not see that the \$400,000 will make a difference in the project not being completed. Unless the Housing Authority has reasons as to why they need the \$400,000 staff is recommending that the money not be provided.

City Manager stated he feels the money should not be provided if the project is already on-going.

Mr. Alexis Kavorgian, representative of the Housing Authority, stated the City/RDA committed \$400,000 to this project as a permanent source of financing during construction. The balance was to be made up by the Housing Authority and they have obtained the funds from State sources. Without the \$400,000 the project loans cannot be taken out. Mr. Kavorgian stated they did obtain tax credits and the \$400,000 represents the gap between the tax credits. The project will be completed in April.

City Attorney stated it should be clarified they are in the verge of a legal issue. Mr. Kavorgian is saying the Board is bound to do this. Legal Counsel advised them they did not have to continue with this. In his opinion the Board is not obligated to provide the \$400,000 to the Housing Authority. This is a policy decision.

Mr. Kavorgian stated the money was committed in the first round. City Attorney believes they re-applied and they did not. He can provide a letter as proof.

Chairman Carrillo stated he has a question as to having a permanent offer from the Board. The \$400,000 was not a perpetuity. The Housing Authority has received \$1.2 million that they have not utilized. Those monies should be utilized before asking the RDA for money.

Mr. Kavorgian stated there was a commitment from RDA for this money and the money is needed for the project. They have advised the State they will receive the \$400,000. He is not asking for anything different than what was committed by the City.

Councilman Alatorre stated the City Attorney has made it clear that he needs to look at information that Mr. Kavorgian will provide. Mr. Kavorgian stated he will provide the information to the Board and to the Attorney.

Ms. Christina Rojas, Interim Director of the Housing Authority, stated there is money that has not been spent but it is not for this project, it is for other projects.

Vice-Chairman Renison stated this needs to be brought back because of the legal issues. He asked the City Manager if this project would be stopped if they do not receive the money. City Manager stated this is a legal matter.

A motion was made by Member Grijalva to approve this request. Motion dies for lack of a second.

A motion was made by Vice-Chairman Renison, seconded by Member Alatorre, and passed unanimously to have the City Attorney look at the legal obligation of this request and if there will be repercussions if this is not funded.

DIRECTOR'S REPORT.

A motion was made by Vice-Chairman Renison, seconded by Member Montoya and passed unanimously to acknowledge receipt of the Director's Report.

INFORMATIONAL ITEMS.

A motion was made by Vice-Chairman Renison, seconded by Member Alatorre, and passed unanimously to acknowledge receipt of the following information items: Status of Storefront Rebate Program; Status of First Time Home Buyer Program; Economic Development Specialist Report.

ADJOURNMENT.

There being no further business the meeting adjourned at 9:05 p.m.

Victor M. Carrillo, Chairman

Attest:

Rich Inman, Secretary

Chairman Carrillo appointed Member Montoya and Vice Chairman Renison to sit in the committee to discuss this project with the City Manager.

Mr. Swerdling asked that a resolution that he will provide tomorrow be placed on the next agenda for approval. The resolution addresses issues associated with the financing of this project and appropriates monies needed to get the research done.

PRESENTATION BY MR. LUIS FUENTES, IMPERIAL VALLEY ECONOMIC DEVELOPMENT CORPORATION (IVEDC) REQUESTING \$10,000 FOR MEMBERSHIP.

Mr. Luis Fuentes made a video presentation of Imperial Valley Economic Development Corporation and after the presentation he asked for the Board's support.

City Manager recommended this item be tabled until after the budget time.

A motion was made by Member Alatorre, seconded by Chairman Carrillo and passed unanimously to approve the request of \$10,000 and continue the partnership in marketing with Imperial Valley Economic Development Corporation as this is a good investment for the City.

AGREEMENT REGARDING OPERATING COVENANT AND RESTRICTIVE COVENANTS BETWEEN THE CALEXICO REDEVELOPMENT AGENCY AND U.S. DATA SOURCE.

A motion was made by Vice Chairman Renison, seconded by Member Montoya and passed unanimously to approve the agreement regarding operating covenant and restrictive covenants between the Callexico Redevelopment Agency and U.S. Data Source.

APPROVAL OF RESOLUTION OF THE CITY COUNCIL APPROVING THE ISSUANCE BY THE CALEXICO REDEVELOPMENT AGENCY OF ITS MULTIFAMILY HOUSING REVENUE BONDS (CANAL COURT APARTMENT PROJECT) AND MAKING CERTAIN DETERMINATIONS RELATING THERETO.

This item was tabled to Monday, March 25th, 2002 at 7:30 p.m.

FINANCIAL SUPPORT TO CALEXICO HOUSING AUTHORITY TAX CREDIT APPLICATION FOR SENIOR HOUSING. (Project by Alexis Gevorgian).

City Attorney stated this project is placed on the agenda for the Board to consider a request by Mr. Gevorgian to make a loan that was originally discussed with the Agency in 2000.

Member Alatorre asked Mr. Ralph Morales what the recommendation from staff is and what are the benefits to the City in regards to the requirement of housing the City needs to have. Mr. Morales explained are that this project would supply to the low income tenants. The project is almost completed. The question is whether or not the Board wants to approve a request that was rescinded.

Chairman Carrillo stated that is the project is almost completed then they do not need the \$400,000.

Mr. Alexis Gevorgian stated he can answer questions regarding the issue. The commitment from the City was intended to come in after the project was completed. The money is needed to complete construction. The 20% set aside would be credited towards the City's requirement.

Member Alatorre asked if the Housing Authority has the money to complete the project? Mr. Gevorgian stated this money is relied on by the Housing Authority and the money was committed to the Housing Authority.

Chairman Carrillo stated the Housing Authority was fully aware of the Board's action to rescind.

A motion was made by Vice Chairman Renison, seconded by Member Montoya to refuse to reconsider the request for a \$400,000 loan from the Housing Authority. Voting was as follows:

AYES:	Carrillo, Renison, Montoya
NOES:	Alatorre, Grijalva
ABSENT:	None

REQUEST FOR FINANCIAL ASSISTANCE FOR AN EXISTING/COMPLETED PROJECT FOR IRMA AUYON LOCATED AT 220 WEAKLY ROAD.

Mr. Ralph Morales stated Ms. Auyon is requesting to be reimbursed for monies she paid in 2001. The project was constructed without financial assistance. If the Board approved to reimburse Ms. Auyon they could be setting precedence.

Vice Chairman Renison stated Ms. Auyon is a business person but it is unfortunate that there is not file on her case.

Member Grijalva asked if Ms. Auyon's project is in the enterprise zone and if it is why was it not treated as an enterprise zone program. Mr. Morales stated she is in the enterprise zone and would have been eligible for impact fee waiver why it was not treated as such he cannot answer.

It was the consensus of the Board to place this item on the March 25th special meeting agenda.

DIRECTOR'S REPORT AND INFORMATIONAL ITEMS.

A motion was made by Vice Chairman Renison, seconded by Member Montoya and passed unanimously to acknowledge receipt of the Director's Report and the following informational items: Status of Storefront Rebate Program; Status of First Time Homebuyer Program; Economic Development Specialist Report; Housing Rehabilitation Monthly Report.

Vice Chairman Renison asked that the following items be placed on the next Board's agenda fountain at Border Park; restrooms at Border and Heber Parks, and field worker pick up point.

TELEPHONE:
(760)352-7777

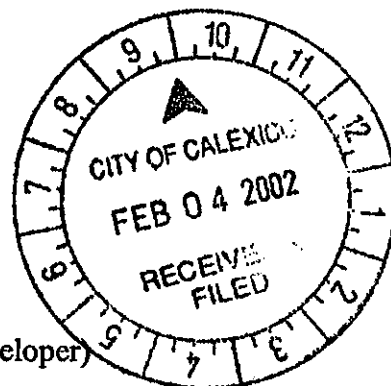
LAW OFFICES OF
MICHAEL L. ROOD
444 SOUTH 8TH STREET, SUITE D
EL CENTRO, CALIFORNIA 92243

TELEFAX:
(760)352-7850
EMAIL:
mrood@earthlink.net

February 1, 2002

(Via Fax and U. S. Mail))

Alexis Gevorgian
AMG & Associates
16633 Ventura Blvd. Suite 1014
Encino, Ca 91436



Re: \$400,000 loan to General Partnership of
Housing Authority and AMG & Associates (Developer)
Deal Points Memorandum of June 2000

Dear Mr. Gevorgian:

I have now obtained a copy of the RDA file and reviewed same.

The resolution of June 2000 included as an attachment a "Deal Points Memorandum". A copy of the Deal Points Memorandum of June 2000 that I have reviewed, includes language that "...The Parties wish to complete a loan agreement" however a loan agreement was never finalized or approved by the RDA. The memorandum includes language that the Agreement would be completed within 90 days and that did not occur. The memorandum includes that it is contingent upon allocation of income housing tax credits. Tax credits were not awarded in the July "round" of tax credit approval. As of October of 2000, tax credits had still not been awarded and an Agreement had not been completed or approved by the RDA. At a public meeting of the RDA on October 10, 2000, this matter was discussed at length. You were present. The RDA then voted not to continue any commitment to a \$400,000 loan on this project. Apparently much later, you obtained tax credit approval however at that time you already knew that the RDA had taken action not to make the \$400,000 loan. I must conclude that there is not a legally binding commitment for the RDA to loan \$400,000 pursuant to this project.

The making of a loan for this project is a policy decision for the RDA. If it wishes to provide such a loan it should make that decision at a public meeting. I suggest that if you wish to continue to pursue a loan from the RDA that you ask for such an item to be placed on the RDA agenda in the near future.

Very truly yours,

Michael Rood
Law Offices of Michael Rood

cc: Executive Director
RDA Board

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ota & Associates

213 7 5052

P. 2

STATE OF CALIFORNIA

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
918 CAPITOL MALL, ROOM 485
SACRAMENTO, CA 95814
TELEPHONE: (916) 654-5340
FAX: (916) 654-6033

Jeanne L. Peterson
Executive Director



MEMBERS:
Philip Angelides, Chair
State Treasurer

Timothy Gago
Director of Finance

Kathleen Connell
State Controller

February 19, 2002

Ms. Jo Anne Yokota
Beyond Shelter Housing Development Corp.
3255 Wilshire Boulevard, Suite 836
Los Angeles, CA 90010

Re: Victoria Manor - CA-2000-180

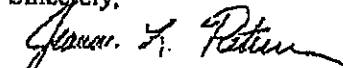
Dear Ms. Yokota:

You have requested that the Tax Credit Allocation Committee provide information relative to the tax credit award to Victoria Manor, a development located in the City of Calexico.

The tax credit application was submitted for the June 15, 2000 funding round. Although it did not score high enough to be awarded credit in that funding round, it was placed on the waiting list (comprised of applications to be awarded a credit reservation should additional credit become available through the return of credit, or the inability of an awarded project to meet certain deadlines.)

Victoria Manor was ultimately successful in getting a tax credit award from the waiting list and it received a preliminary reservation of 2000 tax credit on November 30, 2000.

Sincerely,


Jeanne L. Peterson
Executive Director



CITY OF CALEXICO

COMMUNITY REDEVELOPMENT AGENCY

March 5, 2002

Board of Directors
Calexico Redevelopment Agency
City Hall
680 Heber Ave.
Calexico, CA 92231

Re: Comparison of Costs for Tax Credit Application: Calexico Housing Authority and
Calexico Family Apartments

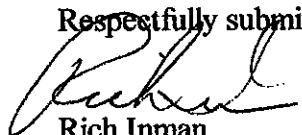
Dear Board Members:

You have requested that staff look at a comparison of costs for the two senior housing projects that submitted applications for tax credits. The comparison is attached and summarizes the type of unit(s) (i.e. 1 bedroom, 2 bedrooms etc), the cost per unit, the number of units and the total cost. Also included is what are called "basis adjustments" of 15% if applicable and impact fees.

The Calexico Housing Authority proposal shows no 15% basis adjustment and impact fees of \$433,286. The Calexico Family Apartments proposal does show a 15% basis adjustment and impact fees of \$1,094,850. It is unclear to me why there is such a discrepancy between these two projects with regard to impact fees.

You will also note that the per unit cost for Calexico Family Apartments for 1 and 2 bedrooms is less than the Calexico Housing Authority costs. Also, 50% of the Calexico Family Apartments are 3 bedrooms whereas the Calexico Housing Authority has none.

Respectfully submitted,



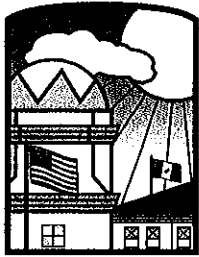
Rich Inman
Executive Director

**COMPARISON OF SENIOR HOUSING PROJECTS
CALEXICO HOUSING AUTHORITY-CALEXICO FAMILY APARTMENTS**

SPONSOR	UNIT SIZE	UNIT COST	# OF UNITS	TOTAL COST
Calexico Housing Authority	1 BR	\$ 83,999	66	\$ 5,543,934
	2 BR	\$ 102,142	14	\$ 1,429,988
15% basis adjustment:				\$ -
Impact fees:				\$ 433,286

TOTAL:		80	\$ 7,407,208
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Calexico Family Apartments	1 BR	\$ 80,285	16	\$ 1,284,560
	2 BR	\$ 96,824	24	\$ 2,323,776
	3 BR	\$ 123,935	40	\$ 4,957,400
15% basis adjustment:				\$ 1,284,860
Impact fees:				\$ 1,094,850
TOTAL:			80	\$ 10,945,446



CITY OF CALEXICO

608 Heber Avenue
Calexico, CA 92231
Tel: 760.768.2110
Fax: 760.768.2103
www.calexico.ca.gov

June 8, 2004

Mr. Gilbert Grijalva
Calexico Housing Authority Director
1006 E. Fifth Street
Calexico, CA 92231

Subject: Victoria Manor Senior Apartments

Dear Gilbert:

Sometime in January of this year, the Affordable Housing Agreement between Victoria Manor Senior Apartments and the Agency was provided to Alexis Gevorgian for his review. The city is ready to finalize the agreement and is awaiting final comments from Mr. Gevorgian. As of this date we have not received comments. Would you provide an update so I may know what the timing is on a response?

Thank you.

Sincerely,

Rosalind Guerrero
Interim CED Director

cc: Luis Estrada, Executive RDA Director
Mike Rood, City Attorney



EDDIE GARCIA
Executive Director

HOUSING AUTHORITY OF THE CITY OF CALEXICO

1006 5TH STREET, CALEXICO, CA 92231
TELEPHONE NO. (760) 357-3013



Fax (760) 357-3084

June 14, 2007

Ralph Velez, City Manager
City of Calexico
608 Heber Avenue
Calexico, CA 92231

Dear Mr. Velez;

The Housing Authority (HA) has reviewed the Affordable Housing Agreement, by and between the Community Redevelopment Agency of the City of Calexico and Victoria Manor Senior Apartments, L.P., and find that the terms of the agreement are acceptable to the HA. The HA would like to move forward and execute the agreement with the Community Redevelopment Agency and the City of Calexico to fund the project.

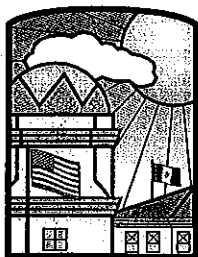
If there is something else the HA is required to furnish/complete please let me know so I can move forward in bringing this issue to a conclusion. I appreciate your help in this matter and look forward to working with the Redevelopment Agency and the City in the future.

Should you have any questions please contact me at 357-3013 x12.

Sincerely,
HOUSING AUTHORITY OF THE CITY OF CALEXICO

Eddie Garcia
Executive Director

Cc: A. Gevorgian
R. Guerrero



CITY OF CALEXICO

608 Heber Avenue
Calexico, CA 92231
Tel: 760.768.2177
Fax: 760.357.3831
www.calexico.ca.gov

Redevelopment Agency Housing Division

February 5, 2009

Mr. Oscar Rodriguez, Director
Calexico Housing Authority
Calexico, CA 92231

RE: Victoria Manor

Dear Mr. Rodriguez:

The City Attorney, Ms. Jennifer Lyon has completed her review of the documentation in regards to the Housing Authority's request for funding in 2002. It is both staff and Ms. Lyon's opinion that the item needs to be presented to the current Agency Board for review and approval. Although the Agency Board gave direction to assist the Housing Authority and/or developer through an appropriate agreement, that direction was given over four years ago and such agreement was never finalized and put before the Agency Board for final approval. A draft agreement was submitted to the Calexico Housing Authority on several occasions, but it was never finalized. Several years have passed since this issue was before the Agency Board, and now the entire project has been built. In order to analyze the current status of your request for assistance, we are requesting your office provide updated information on the project, such as the benefits to be derived with Agency assistance, the purpose of the loan, and any deadlines that you must meet. In order for me to schedule this for an upcoming Agency Board meeting, I need to have this information for staff and legal counsel review. Please keep in mind that according to the City's current agenda policy, an agenda item in final form is due almost two weeks prior to the actual meeting date. Therefore, the sooner this information is provided, the better. Thank you.

Sincerely,

Rosalind Guerrero, Director

cc: Steve Walker, Housing Authority Attorney
Jennifer Lyon, Calexico City Attorney
Ralph Velez, City Manager

Viva Calexico!